department who may only be tangentially involved for tactical reasons. I trust this is not truly the case and that our future agreements will not be subject to further change.

MEB.

-----Original Message-----
From: Jordan, Parkey [mailto:Parkey.Jordan@BellSouth.COM]
Sent: Friday, June 28, 2002 7:44 PM
To: 'Buechele, Mark'; Jordan, Parkey
Cc: Follensbee, Greg; Nilson, Dave
Subject: RE: Negotiation of Interconnection Agreement Final Language

Mark, just to be clear that you understand our position, we are attempting to agree with Supra on what language we will include in the interconnection agreement based on the FPSC order. The parties may well settle issues in an effort to finalize the agreement, despite the fact that the language ultimately agreed upon is different from the actual position of the parties. We only discussed 2 issues this morning, so it is impossible for BellSouth to determine at this point if Supra is in agreement with most of the agreement or not. If the two issues we discussed this morning are the only substantive issues Supra has, BellSouth may decide, in the interest of settlement, to agree to Supra's language or to a compromise on both of those issues. BellSouth compromised this morning on the language regarding the forum for dispute resolution. BellSouth's position on that issue is that the order requires the party to use the BellSouth template as the base agreement and to use the order of the PSC to fill in the remaining issues. BellSouth used the word "shall" in the proposal to implement the commission order. BellSouth's position remains that shall is appropriate. If the parties ultimately cannot agree on many of the provisions in the agreement, we may return to our original position. For now we are willing to compromise in the effort to reach agreement, but Supra's issues that we discuss Monday may impact our willingness to compromise.

With regard to the effective date of the agreement, I do not agree with your characterizations of BellSouth's position, but we each clearly stated our respective positions this morning, and I see no need to rehash them here. Further, you have mischaracterized the email that you reference as evidence of BellSouth's agreement that the new interconnection agreement would not be retroactive. First, I sent that email to Paul in an effort to settle the issue of the rates that we would use in the recalculation of the June to December bills. Second, you have pulled one sentence out of context (and not even the entire sentence) and have conveniently ignored the remainder of the email. Supra had claimed that BellSouth's recalculation of the June to December bills should be based on the FL commission's new UNE rates rather than the rates in the agreement. By this time, BellSouth was aware that Supra was taking a position on retroactivity that was contrary to what BellSouth believed and contrary to Mr. Ramos' testimony before the FPSC. Paul was also concerned about the effect of retroactivity on the June 5, 2001 award. I told Paul that I would offer some language to try to settle these issues. In exchange for using the rates from the new interconnection agreement in the recalculation of the bills, I would agree to (1) use the date of signing as the date in the blank in the preamble, and (2) add a sentence that says (and I paraphrase) despite the effective date in the preamble, the parties agree to apply these rates, terms and conditions retroactively to June 6, 2001. I was merely trying to settle disagreements of the parties regarding UNE rates applicable to June-December, 2001, retroactivty of the agreement, and the preservation of the June 5 award in light of retroactivty. I neither forgot about this email,

nor did I make a misstatement, deliberate or otherwise. BellSouth has never agreed to Supra's position on this issue. I offered a settlement that Supra refused - Paul never responded to that email. However, it appears that you are deliberately ignoring both the plain language of the email and the settlement context within which it was offered in an effort to claim that BellSouth has changed its position. That is clearly and obviously not the case.

I see no reason to continue to rehash these two issues. We will continue our discussion on Monday and will hopefully get through all of Supra's issues or disagreements with what BellSouth has proposed (if any).

Parkey Jordan
BellSouth Telecommunications, Inc.
404-335-0794
-----Original Message-----
From: Buechele, Mark [mailto:Mark.Buechele@stis.com]
Sent: Friday, June 28, 2002 3:58 PM
To: Jordan, Parkey
Cc: 'Follensbee, Greg'; Nilson, Dave
Subject: Negotiation of Interconnection Agreement Final Language

Parkey,

This note will serve to memorialize our telephone conference this morning regarding our negotiation of final language for inclusion in the follow-on agreement.

Based upon our discussion this morning, we agreed that on paragraph 16 of the General Terms and Conditions, BellSouth will change the word "shall" back to the original word of "may" used in the template filed with the FPSC. Accordingly, the first sentence of that paragraph will read as follows:

"Except as otherwise stated in this Agreement, the parties agree that if any dispute arises as to the interpretation of any provision of this Agreement or as to the proper implementation of this Agreement, either party may petition the Commission for resolution of the dispute."

We also discussed at length the effective date to be used in the new follow-on interconnection agreement. It is your position that because the current interconnection agreement has a clause dealing with retroactivity, that this necessarily means that the effective date of the new follow-on agreement must be June 10, 2000. My position is that the template filed with the FPSC at the start of this arbitration contained a blank date. Typically, parties leave the effective date of a contract blank when they intend to use the execution date as the effective date. Because the parties cannot usually predict when the agreement will be executed, they leave the date blank. In line with this practice, it is my recollection that when you and I were negotiating this agreement back in the summer of 2000, we both understood and agreed that the effective date would be the execution date. It is for this reason that the agreement template had a blank date rather than a date of June 10, 2000 (a date clearly known to all of us when the template was filed with the FPSC).

You claim that during the course of the evidentiary hearing Mr. Ramos testified that the follow-on agreement would be retroactive. Unfortunately, I have not yet been able to confirm exactly what Mr. Ramos said and the context under which his words were spoken. Nevertheless, in my opinion, any such testimony would largely be irrelevant because retroactivity was not an issue in this arbitration docket.

Furthermore, after Greg Follensbee this morning mentioned an e-mail of January 4, 2002 to Paul Turner, I decided to ask around for a copy of that e-mail. It is interesting to note that on January

4th, you sent an e-mail to Paul Turner of Supra in which you specifically advised in reference to filling in the effective date of the follow-on agreement, that:

"We will insert the effective date in the preamble as the date executed by both parties"

When I read this language I was quite surprised since you had assured me this morning that BellSouth has never taken the position that the effective date should be the execution date. I trust that you simply forgot this previous position and that your misstatement was not a deliberate attempt to try and take advantage of my absence from this docket since the Fall of 2000.

In any event, we both agree that the original template filed with the FPSC had a blank effective date and that this typically means the effective date is the execution date. We also agree that it makes little sense to execute an agreement (which with a June 10, 2000 effective date), will require the parties to beginning new negotiations almost immediately. Furthermore we both agree that when BellSouth and ATT executed their follow-on agreement last year, the effective date was the execution date. I have since confirmed that the effective date of the BellSouth/ATT follow-on agreement was 10/26/01 (i.e. the date BellSouth executed the agreement). We also both agree that there is nothing in either the record or in the parties' correspondence, which reflects that the parties ever agreed to (or even advocated) an effective date of June 10, 2000.

Given the fact that the parties never agreed to an effective date of June 10, 2000 and in fact we had personally agreed to the contrary in the summer of 2000; the fact that this issue was never brought to the FPSC for resolution; the fact that such an effective date is contrary to both general business practices and BellSouth's own practices; and the fact that we both agree that such a date makes no sense; I fail to see how BellSouth can continue advocating an effective date of June 10, 2000, rather than the execution date. I trust BellSouth will re-think its position on this matter. In any event, you advised me that you would consult with your client further on this matter.

Finally, pursuant to our conversation this morning, we will be calling your office on Monday morning at 10:30 a.m. to continue these discussions.

If you have any questions or comments, please feel free to contact me at your convenience.

MEB.

Buechele, Mark

From:	Buechele, Mark
Sent:	Wednesday, July 03, 2002 1:15 PM
To:	'Jordan, Parkey'; Buechele, Mark
Cc:	Follensbee, Greg
Subject:	RE: Meeting Wednesday, July 3

Parkey,

This morning my one-year old daughter came down with an allergic reaction to a vaccine she received last week. That killed a good portion of my morning. In any event I am finding problems in some of the basic items which were supposedly resolved earlier by agreement, all of which naturally takes up more time. By the tone of your e-mail, I presume that both you and Greg have blocked off the entire afternoon. I will be able to discuss more issues at 3:00 p.m. Therefore, unless you advise me that you and/or Greg are not available at 3:00 p.m., I will call at time.

MEB.

-----Original Message-----
From: Jordan, Parkey [mailto:Parkey.Jordan@BellSouth.COM]
Sent: Wednesday, July 03, 2002 1:03 PM
To: 'mark.buechele@stis.com'
Cc: Follensbee, Greg
Subject: Meeting Wednesday, July 3

Mark, I received a message from my secretary that you want to delay our meeting that was scheduled for 1:30 today until 3:00. We have a lot to cover and I think we need to begin on time as scheduled. We prefer to start the meeting at 1:30.

Parkey Jordan
BellSouth Telecommunications, Inc.
404-335-0794

Buechele, Mark

From: Jordan, Parkey [Parkey.Jordan@BellSouth.COM]
Sent: Friday, July 05, 2002 12:37 PM
To: 'Buechele, Mark'; Jordan, Parkey
Cc: Follensbee, Greg; Nilson, Dave
Subject: RE: July 3 Meeting

Mark, I apologize for leaving issue 13 off the list. We did discuss issue 13 and agreed to the language BellSouth provided.

As for the call flow diagrams, we discussed the diagrams with Dave, but neither Greg nor I have any notes regarding changes to the call flows. Although we will check again, I believe the call flows that were attached to the document are all the call flows BellSouth has, so I'm not sure why Dave thinks there are any missing. In any event, if Dave can identify missing call flows, we will add them, and if he wants to propose modifications to the call flows, we will look at them.

We were expecting to have an email from you this morning outlining additional questions that you had so we could begin working on your issues, but we have not received anything. We will expect to hear from you at 4:00 today.

Parkey Jordan
BellSouth Telecommunications, Inc.
404-335-0794

-----Original Message-----
From: Buechele, Mark [mailto:Mark.Buechele@stis.com]
Sent: Wednesday, July 03, 2002 7:25 PM
To: 'Jordan, Parkey'; Buechele, Mark
Cc: Follensbee, Greg; Nilson, Dave
Subject: RE: July 3 Meeting

Parkey,

In clarification of your e-mail, with respect to Issue B, I actually referred to Supra's pending motion under Florida Rule of Civil Procedure 1.540 (there is a subtle distinction), but also stated that notwithstanding that pending motion Supra was willing to negotiate in good faith from BellSouth's template.

With respect to Issue 1, Supra feels strongly about what was and was not arbitrated before the Commission and feels that BellSouth's changes raise new issues. Nevertheless, we acknowledge that you wish to discuss this issue further.

With respect to Issue 7, I was advised by David Nilson that in order to eliminate the possibility of having the "UNE Local Call Flows" be subject to potential change in the future, Supra and BellSouth agreed that they would attach mutually agreed "UNE Local Call Flow" diagrams to Attachment 2 as an exhibit. Hence the reference to Exhibit "B" in paragraphs 2.17.4.3, 6.3.2.2 and 6.3.2.3 in Attachment 2. Dave Nilson advised me that he and Greg Follensbee talked about attaching (as an Exhibit)mutually agreed modified versions of all 96 call flow diagrams which were on BellSouth's web site last fall. As I understand it, agreed upon modifications were to be made to these diagrams before they were included as an Exhibit. Although Greg and Dave started to negotiate the form of these diagrams, because of the time crunch in this Docket, Greg and Dave agreed to resolve the modifications later. With passage of the hearing and subsequent decisions, Greg and Dave simply lost track of finishing this task. During our conversation today, Greg Follensbee mentioned that Dave still needed to approve his proposed Exhibit "B". When Dave look at Greg's proposal, his first comment was that the Exhibit did not contain all of the call flow diagrams, and for many of the diagrams provided, previously agreed upon modifications had not been made. Accordingly, I suggest that Dave and Greg touch base immediately in order to hammer out Exhibit "B" to Attachment 2.

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Composite Exhibit "12"

Additionally, the separation of the language placed in paragraphs 6.3.2.2 and 6.3.2.3 from the entire language agreed upon, muddies the fact that the referenced to these specific call flow diagrams was actually meant to address when Supra was required to pay end user line charges. Accordingly, some clarifying language needs to be proposed on these two new paragraphs.

Finally, we also began discussing Issue 13. At first I thought that BellSouth simply forgot to include the agreed upon language, but then you pointed out that Greg Follensbee had already caught this mistake in his recent revisions of June 18th. In reviewing his revised Attachment 2 (of 6/18/02), I confirmed that he had accurately included the agreed language, but needed to check whether the paragraphs he removed made sense in light of the new language added.

Lastly, you advised me that BellSouth was going to request assistance from the Commission in mediating our negotiations over final language. I told you that I hoped that BellSouth would not be representing that Supra was somehow dragging its feet on this matter. We both agreed that going through these changes is very tedious and time-consuming work. We both acknowledge that despite the efforts made by BellSouth to put together this proposed follow-on agreement, that numerous mistakes are nevertheless being discovered as we examine this document at a detailed level. You stated that your complaint was not so much with me, but with the fact that given the tedious and time-consuming nature of this task, Supra should have began this process back in March. I agree that this is a very tedious and time-consuming task, however, I cannot change the past. Therefore, we just need to try to get through this agreement within the time period allowed by the Commission. In this regard, I hope to get back with you on Friday with further comments.

Happy July 4th!

MEB.

-----Original Message-----
From: Jordan, Parkey [mailto:Parkey.Jordan@BellSouth.COM]
Sent: Wednesday, July 03, 2002 4:44 PM
To: 'mark.buechele@stis.com'
Cc: Follensbee, Greg
Subject: July 3 Meeting

Mark, this is to confirm our agreements/discussions during our negotiations today.

Issue A - agreed issue was withdrawn (i.e., no language necessary).

Issue B - agreed that the BellSouth template was used as per the order (subject to Supra's outstanding motion for reconsideration).

Issue 1 - OPEN for further discussion.

Issue 2 - agreed with language in GTC Section 18, subject to changing AT&T references to Supra, and subject to changing the language in the 11th/12th line of Section 18.1 to read ". . . recorded usage data as described elsewhere in this Agreement."

Issue7 - agreed to change the language in the third paragraph of the settlement language (Att 2, Section 2.6) to read as follows: "When Supra purchases an unbundled loop or a port/loop combination, BellSouth will not bill Supra Telecom the end user common line charges (sometimes referred to as the subscriber line charge), as referenced in Attachment 2, Section 3.25, of this Agreement. Supra may bill it's end users the end user common line charges." The remainder of the language is agreed to, subject to Dave Nilson's confirmation of the call flows in Exhibit B.

Issue 9 - agreed to language in the agreement.

We understand that you will be in depositions all day Friday. We agreed that you would send us any questions you have Friday morning, and we will talk Friday at 4:00 to continue

our discussions.

Parkey Jordan
BellSouth Telecommunications, Inc.
404-335-0794

Buechele, Mark

From: Buechele, Mark
Sent: Wednesday, July 10, 2002 11:07 AM
To: 'Jordan, Parkey'; Buechele, Mark
Cc: Follensbee, Greg; Nilson, Dave
Subject: RE: July 5th and July 8th Meetings

Parkey,

I disagree with your e-mail, but do not wish to engage in unnecessary wrangling at this time. As you know, I was at the Florida Public Service Commission yesterday on a matter concerning BellSouth. Unfortunately I was the only person available to attend that matter and it did not conclude until the mid-afternoon.

As for the time necessary to review the document, even you have concededly on several occasions, that even one month is not enough time to adequately review and comment on BellSouth's proposed changes. So I do not appreciate your comments as to how long the process is taking.

Moreover, as it stands, the parties are currently at an impasse on several issues involving items that either were: (a) previously ruled upon by the Commission; (b) were supposed to have been agreed upon previously but apparently were not; and (c) do not reflect the parties' prior agreements. Thus if BellSouth maintains its current position and seeks to unilaterally file a document on Monday, it will be with the full knowledge and understanding that the document does not incorporate both agreed changes and the Commission's prior rulings.

In any event, I have told your secretary to schedule a conference call for 4:00 p.m. today to continue our discussions. I know you and Greg Follensbee are currently spending your time at the arbitration proceeding yaking place between BellSouth and Supra in Atlanta. However, I trust you will be available for the conference call this afternoon.

MEB.

-----Original Message-----
From: Jordan, Parkey [mailto:Parkey.Jordan@BellSouth.COM]
Sent: Wednesday, July 10, 2002 8:12 AM
To: 'Buechele, Mark'; Jordan, Parkey
Cc: Follensbee, Greg; Nilson, Dave
Subject: RE: July 5th and July 8th Meetings

Mark, I disagree that you have found numerous mistakes in the document we sent you. You have requested changes to language to which the parties had already agreed, and we have accommodated your changes where possible. You have also asked for renumbering, and we have agreed to that as well. I do not believe the changes you have requested up to this point have been substantive. Thus, I think your characterization of the document is incorrect.

As for the filing deadline of July 15th, BellSouth intends to submit a filed agreement, as per the Commission's Order. In our opinion, you and your clients have not worked in good faith to complete your review of the agreement. Your clients have not participated in any substantive discussions, and you have scheduled meetings to review only two or three issues at a time. The only issues and language you have been reviewing is the settlement language to which the parties agreed in October of 2001 or earlier. You have made no comment regarding BellSouth's incorporation of the Commission's Order. While I agree that review of the document takes time, neither you nor your clients have invested a reasonable amount of time in the review process. Our first scheduled meeting was June 17, nearly a month prior to the ordered deadline to have a signed agreement. That is certainly sufficient time for you to have reviewed the entire agreement, commented and worked with us to resolution.

Composite Exhibit "13"

per your message yesterday (July 9), you were unable to meet to discuss any further issues. I will wait to hear from you regarding any additional meetings. As I will be away from my office most of the day today, please leave a message with my secretary or on my voice mail regarding when you would like to meet today if at all.

Parkey Jordan
BellSouth Telecommunications, Inc.
404-335-0794

-----Original Message-----
From: Buechele, Mark [mailto:Mark.Buechele@stis.com]
Sent: Monday, July 08, 2002 6:00 PM
To: 'Jordan, Parkey'; Buechele, Mark
Cc: Follensbee, Greg; Nilson, Dave
Subject: RE: July 5th and July 8th Meetings

Parkey,

I am in receipt of your e-mail of this afternoon. Although I have not yet been able to compare your e-mail to my notes (which I will try to do tomorrow), I wanted to comment further on our conversation of this afternoon.

First, I advised you that Supra had apparently made some proposed call flow diagrams earlier. I will forward you a copy as soon as I am able.

Second, I advised you that I saw Nancy White's letter to Harold McLean of the FPSC and take offense to that letter. Obviously Ms. White knows very little about how much time it takes to go through these documents. You conceded that it takes a long time to work through the documents, but stated that Supra should have started this process back in March 2002.

Third, as you know, there have been a number of discrepancies in the document proposed by BellSouth. I raise this point because even with the time taken by BellSouth to revise and review the document, mistakes still have fallen through the cracks. Indeed, referencing mistakes even exist in Greg Follensbees cross-reference. Apart from slowing the process down, mistakes in the cross-reference instantly cause eyebrows to raise since the cross-reference is supposed to accurately identify all changes made.

During our conversation this afternoon, I advised you that realistically it might take an extra week or two to finish reviewing and discussing the proposed agreement in to order to verify its accuracy with the parties' prior agreements and the Commissions' orders. Your response was that BellSouth would not work one day past July 15th on this agreement because Supra should have begun this process back in March. I stated that it made no sense to take such a position because it is in everyone's best interest to work through all of the issues and that if Supra continues to work on the agreement past July 15th, then BellSouth should not turn a deaf ear to Supra. You then retracted your position and stated that BellSouth does not know what it will do if the parties cannot finish reviewing your proposed agreement by July 15th. I trust BellSouth will be a little more flexible in this regard.

Finally, I advised you that I will be on the road tomorrow, but that perhaps we can continue going over issues sometime in the afternoon. I advised you that I would leave you a message in the early afternoon with a proposed time for continuing our discussions.

MEB.

-----Original Message-----
From: Jordan, Parkey [mailto:Parkey.Jordan@BellSouth.COM]
Sent: Monday, July 08, 2002 4:19 PM

To: 'mark.buechele@stis.com'
Cc: Follensbee, Greg
Subject: July 5th and July 8th Meetings

This is to confirm where we stand in the discussions of the follow on agreement on July 5th and July 8th.

On July 5th, the parties agreed as follows:

Issue 14 - agreed that the issue was withdrawn to address in the context of Issue 25B.

Issue 17 - we agreed that BellSouth included the agreed upon language in Section 9.1 of the General Terms.

Issue 25A - we agreed that the issue was withdrawn by Supra.

Issue 25 B - the parties agreed that the language agreed to in the settlement was incorporated into the document.

I understand that you believe your agreement with issues 17 and 25A are subject to your reviewing the remainder of the agreement for other related or possibly conflicting language. BellSouth believes that the parties did not settle or withdraw these issues based upon any other language in the agreement.

On July 8th the parties discussed the following issues:

Issue 26 - Supra requested several changes. BellSouth agreed to modify the last line of Section 2.16.7 of Attachment 2 to change "options set forth above" to "options set forth in this Section 2.16." Also, BellSouth agreed to modify the settlement language in Attachment 10 to add to the beginning of the settlement language, "Notwithstanding this Attachment 10, . . ." BellSouth also agreed to modify the last line of Section 2.16.1 to change "following options" to "following options set forth in Sections 2.16.1.1, 2.16.1.2 or 2.16.1.3 below." We will then renumber Sections 2.16.2, 2.16.3 and 2.16.4 to 2.16.1.1, 2.16.1.2 and 2.16.1.3, respectively. 2.16.5 and following will be renumbered accordingly.

Issue 27 - the parties agreed to renumber Attachment 3, Section 1.6.4, to Section 1.7. Following paragraphs will be renumbered accordingly. Supra also inquired as to the references to intraLATA toll that were added to the settlement language. Whether these references should or should not be included was subject to the parties agreed upon definition of local traffic for purposes of reciprocal compensation under this agreement. Subject to check with Greg Follensbee, we can remove those references to intraLATA toll.

These two issues were the only ones discussed on July 8th. You will call or page me tomorrow to let me what time you would like to meet tomorrow afternoon.

Parkey Jordan
BellSouth Telecommunications, Inc.
404-335-0794

Buechele, Mark

From:	Jordan, Parkey [Parkey.Jordan@BellSouth.COM]
Sent:	Friday, July 12, 2002 6:23 PM
To:	'Buechele, Mark'; Jordan, Parkey
Cc:	Follensbee, Greg; Nilson, Dave
Subject:	RE: July 11th & 12th Meetings

Mark, my email to you on July 11 (below) was not intended to confirm that you had agreed with deleting all references to IntraLATA toll in Attachment 3. It was merely to explain to you why the IntraLATA toll reference was not in the settlement language for issue 27 and why those references throughout the Attachment are also inappropriate. My understanding, and Greg's, was that you agreed to deletion of those references on our July 11 call, which took place after I sent the below email to you. You stated today, July 12, that you had not agreed to such a deletion. I will send you a separate email confirming the resolution of issues discussed in our July 11 and July 12 meetings.

As for Issue 1, I merely proposed different language, pulled directly from the Commission's order, in an effort to resolve that issue. I understand that you are rejecting that language, and as such, there is no need to rehash once again the parties' positions.

I agree with your listing of issues discussed on the 11th, and as stated above, I will confirm our agreements in a separate email. While I generally agree that we have not agreed on Issues 10 and 49, I would classify Issue 29 with the others. The language in the contract to which you disagree is language that BellSouth has offered to allow Supra to order switching at market based rates when BellSouth is not obligated to provide switching at all. BellSouth is not willing to agree to the additional language you proposed, which would obligate BellSouth to change the market based rates without an amendment to the agreement in the event Supra discovers that another CLEC has lower market based rates. This language is not an issue in the arbitration, nor does it relate to anything BellSouth is obligated to provide. The contract language that incorporates the Commission's order on issue 29 is not the language to which you did not agree.

Parkey Jordan
BellSouth Telecommunications, Inc.
404-335-0794

-----Original Message-----
From: Buechele, Mark [mailto:Mark.Buechele@stis.com]
Sent: Friday, July 12, 2002 2:28 PM
To: 'Jordan, Parkey'; Buechele, Mark
Cc: Follensbee, Greg; Nilson, Dave
Subject: RE: July 11th & 12th Meetings

Parkey,

I have not reviewed your e-mail of July 11th (attached below) for complete accuracy with my notes of our prior discussions. However, I note that on issue 27, I never agreed to the complete removal of all reference to "IntraLATA" within attachment 3. I had only questioned why the settlement language dealing with physical points of interconnection did not refer to "IntraLATA". I said that if you thought that the term "IntraLATA" needed to be removed or renamed elsewhere in the attachment, then I would be happy to look at your proposal. However, your comment on this issue does not accurately reflect our conversations. Nevertheless, if you believe that there is any inconsistency in the language of this attachment, then we need to work through this matter further.

As for Issue 1, BellSouth never sought from the FPSC, any change to the language found in the template filed with the FPSC. The only issue litigated was whether or not the parties could be forced into commercial arbitration. You even admitted as much when we first began discussing the proposed agreement. In fact, you originally agreed to change the

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Composite Exhibit "14"

language back to the template, but then later recanted your agreement. Unfortunately, Supra cannot accept anything but the original template language on this issue.

On another matter, yesterday afternoon (July 11th) we met for approximately one and one-half hours. At that time we talked again about issues 27, 29 and 49. Also we discussed issues 53, 55, the agreed portion of issue 57 dealing with PSIMS and PIC, the agreed portion of issue 18 dealing with resale and collocation, and issues 5 and 10. Although I have not yet organized all of my notes with respect to these issues and thus will not deal with specifics now, I will note that severe differences of opinion exist on issue 29 (on using market rates offered to other carriers), issue 49 (on BellSouth's intent to force DSL subscribers to purchase a separate voice line to retain their DSL service and related carrier compensation), and issue 10 (on Supra's consent to the use of DAML equipment on current and future UNE loops, and notification when BellSouth intents to install the old DAML cards on resale lines). I will also note that we agreed to several other changes and language modifications which have not yet been memorialized).

Per our agreement, we are to discuss these matters further at 4:00 p.m. today. Thereafter, I intent to draft a listing of all the issues covered to date, with my understanding of our agreements and the current impasses. At that point I will comment further on your prior e-mails (to the extent any further comment is needed).

MEB.

-----Original Message-----
From: Jordan, Parkey [mailto:Parkey.Jordan@BellSouth.COM]
Sent: Thursday, July 11, 2002 8:15 AM
To: 'mark.buechele@stis.com'
Cc: Follensbee, Greg
Subject: July 10 Meeting

Mark, this is to confirm our discussions today regarding the new BellSouth/Supra interconnection agreement:

Issue 4 - Supra agrees with the proposed agreement.

Issue 29 - BellSouth has included language in the agreement that allows Supra to purchasing switching at market rates in those areas where, pursuant to FCC and FPSC regulation, BellSouth is not required to provide switching at UNE rates. Supra left this issue open to check with Paul Turner to confirm that Supra wants the ability to purchase switching where BellSouth is not required to provide it. If Supra does not want that ability, BellSouth is willing to remove the language and associated market rates.

Issue 31 - BellSouth agreed to delete from the last sentence in Attachment 2, Section 6.3.1.2, "locations served by BellSouth's local circuit switches, which are in the following MSAs: Miami, FL; Orlando, FL; Ft. Lauderdale, FL" and substitute in lieu thereof "those locations specified in Sections 6.3.1.2.1 and 6.3.1.2.2 below."

Issue 35 - Supra agrees with the proposed agreement.

Issue 41 - BellSouth agreed to remove the added word "Alternate" in Section 12.2.1 of the General Terms.

Issue 44 - Supra agrees with the proposed agreement.

Issue 45 - Supra agrees with the proposed agreement.

Issue 48 - Supra agrees with the proposed agreement.

Issue 51 - BellSouth agreed to repeat all the language in Attachment 1, Sections 3.16 and 3.16.1, in Attachment 7, Section 3.6 (the reference to Exhibit A in Section 3.16 of Attachment 1 will have to be modified to add Exhibit A of Attachment 2 for submission of LSRs other than resale). BellSouth also agreed to add a sentence in the language in Attachment 7 stating that rates for the ordering interfaces other than resale are in Exhibit A of Attachment 2.

Issue 52 - BellSouth agreed to remove note 3 of Exhibit B, Attachment 1, relating to Lifeline/Linkup.

With the changes discussed above, the foregoing issues should be closed (with the exception of Issue 29).

Issue 27 - on July 8 we discussed removing the reference to IntraLATA toll traffic in the settlement language in Attachment 3. We will remove the reference there and in the other sections of Attachment 3. The document originally proposed and filed with the Commission contained a definition of Local Traffic that did not include all traffic exchanged within the LATA. The parties agreed on a different definition of Local Traffic (i.e., that all traffic originated and terminated in the LATA other than traffic delivered over switched access arrangements would be considered local for purposes of reciprocal compensation). With that agreement, there will no longer be an exchange of IntraLATA toll traffic between the parties, so such references should come out of the agreement, just as they were removed from the settlement language.

Issue 1 - on June 28 we discussed the issue of dispute resolution and did not come to a final agreement. In an effort to reach agreement as to the Commission's order regarding this issue, BellSouth proposes to replace the language in Section 16 of the General Terms with language directly from the Comission's order: The appropriate forum for the resolution of disputes arising out of this Agreement is before the Florida Public Service Commission.

Greg and I will be available at 4:00 today, July 11, to discuss additional issues.

Parkey Jordan
BellSouth Telecommunications, Inc.
404-335-0794

Buechele, Mark

From: Buechele, Mark
Sent: Monday, July 15, 2002 4:21 PM
To: 'Jordan, Parkey'
Subject: RE: July 11th and 12th Meetings

Parkey,

I beg to differ with you. You have not continued to ask for anything. Do you still want a copy of those call flows?

MEB.

-----Original Message-----
From: Jordan, Parkey [mailto:Parkey.Jordan@BellSouth.COM]
Sent: Monday, July 15, 2002 4:09 PM
To: 'Buechele, Mark'; Jordan, Parkey
Cc: Follensbee, Greg; Nilson, Dave
Subject: RE: July 11th and 12th Meetings

Mark, just as you disagree with my e-mails, I disagree with yours. Again, I see no point in continuing to rehash these issues.

One point of note, however, relates to the call flows. I agree that you offered as early as July 3 to provide us the call flows you think are accurate, and we have continued to request them. To date, we have not received anything from you. We have told you that we do not have any other call flows in our files that are different from what we provided you with our proposed agreement, and we told you that if you would send us the call flows you think are accurate, we will review them. Telling us you disagree with our proposal, but not telling us why or providing a counter is useless.

On a different topic, just as information, in the agreement that BellSouth will file with the Commission today, to remove a contentious issue from the agreement, we have inserted today's date in the preamble of the agreement.

Parkey Jordan
BellSouth Telecommunications, Inc.
404-335-0794

-----Original Message-----
From: Buechele, Mark [mailto:Mark.Buechele@stis.com]
Sent: Monday, July 15, 2002 12:35 PM
To: 'Jordan, Parkey'; Buechele, Mark
Cc: Follensbee, Greg; Nilson, Dave
Subject: RE: July 11th and 12th Meetings

'arkey,

disagree with virtually all of your e-mail of this morning. The only thing I agree with n your e-mail is that BellSouth refuses to continue negotiating the follow-on agreement, hich both you and Greg Follensee conceded on Friday is a mess. BellSouth may not care if hatever agreement is filed makes sense; but Supra does! Indeed, it is in BellSouth's est interest to have a mess of an agreement, particularly one which has never been agreed pon.

nfortunately, BellSouth's tactic appears to be to force an unworkable, non-agreed, nterconnection agreement upon Supra which does not even reflect the Commission's prior ulings on those matters which had not previously been agreed to in principal. We both now that anything BellSouth files will be meaningless, and will serve no other purpose han to forment more unnecessary litigation. A tactic BellSouth appears to be only all

1

Composite Exhibit "15"

too familiar with.

I will also note that Greg Follensbee had never sent any revised call flow diagrams as mention in your e-mail. Moreover, I have offered to provide both you and Greg Follensbee the call flow diagrams previously proposed by Supra. However, you have stated that BellSouth refuses to negotiate and discuss the follow-on agreement any further. Has BellSouth changed its position? If not, then what's the point. BellSouth's call flow diagrams have never been agreed to. In any event, it is my understanding that you have already been provided copies of the call flow diagrams previously proposed by Supra.

MEB.

-----Original Message-----
From: Jordan, Parkey [mailto:Parkey.Jordan@BellSouth.COM]
Sent: Monday, July 15, 2002 12:02 PM
To: 'Buechele, Mark'; Jordan, Parkey
Cc: Follensbee, Greg; Nilson, Dave
Subject: RE: July 11th and 12th Meetings

Mark, I don't believe you understand Issue 27. BellSouth does not believe that modifications need to be made to Attachments 2 and 3. The only change BellSouth proposed was to delete the references to IntraLATA toll in Attachment 3, consistent with the settlement language for Issue 27. I have explained that issue many times. As I have told you before, Attachment 2 covers Supra's ability to offer LATA-wide local calling to its end users when using BellSouth's switch - a switch that is configured for BellSouth's local calling areas. Attachment 3 describes interconnection and compensation between the parties for traffic exchanged in a facilities-based environment. The definition of Local Traffic to which the parties ultimately agreed encompasses all calls within the LATA (other than switched access). Thus, there will be no IntraLATA traffic between the parties, and references to IntraLATA traffic that accompanied the original proposal are no longer applicable. We do not agree, nor did we state, that any other changes need to be made to the Attachments. As for the call flows, we believe that the call flows we proposed are correct. Per a conversation between Greg Follensbee and Dave Nilson last week, Greg added an endnote to the call flows regarding end office switching rates for call transport and termination and for UNEs being equal. Despite BellSouth's requests, Supra has not provided any other call flows or other information indicating any changes that were to be made to the call flows. Thus, we do not know why Supra thinks the call flows need modification.

As for the template, BellSouth had originally proposed to Supra where we would place all of the settlement language in the BellSouth template. Supra would not agree to any document containing the settlement language to the extent we included a reference for the Attachment and Section. BellSouth is not confused as to where the language fits best, and any confusion Supra may be experiencing is due at least in part to its refusal to allow BellSouth to include a reference (and to discuss placement of the language at the time it was negotiated).

Your comments regarding the DSL issue may well be self-serving as intended, but they have no basis in fact or reality. BellSouth has not claimed that the Commission made a mistake in its order. BellSouth merely stated that the Commission did not order a process by which BellSouth would continue to provide DSL over UNE-P lines, nor could it have ordered a process based on the record in the arbitration. And BellSouth merely rejected Supra's verbal proposal to include language in the agreement relating to the process to be utilized and other language that was not included in the Order. We do not know yet exactly what that process is and how it will be implemented. BellSouth has not refused to include the language from the order, and in fact, our proposal quotes directly from the order. Your allegations regarding this issue are completely false.

BellSouth does plan to file an agreement today, and we see no need to continue our discussions with Supra at this point. If the Commission orders the parties to continue negotiations, we will do so.

BellSouth has never stated that there has not been sufficient time to review/negotiate the final agreement in this case. I will perhaps agree that Supra, by waiting until July 10

or 11 to discuss any of the ordered issues, has waited too long complete its review, but such delay falls squarely on Supra. BellSouth does not agree that Supra has acted in good faith and has moved diligently toward finalizing the agreement. We also do not agree that you uncovered substantial problems with the agreement. Most of your requested changes have been to language that was previously accepted by the parties, and your changes have been more along the lines of placement and numbering than substance. Further, where you have raised substantive disagreements (i.e., for the issues where the parties have reached an impasse), you have never proposed any language for BellSouth's consideration. Your participation in this process has been minimal compared to that of other ALECs in similar situations, and your client has failed to participate at all.

To state that Supra has not had a chance to review BellSouth's document is a farce. Supra has had ample time to review the agreement. The changes BellSouth has made to the agreement we plan to file today are only those that were made at the request of Supra during the last week. I see no reason to blame BellSouth for your failure to review the agreement.

Finally, with each email I send you describing the parties' agreement and discussion regarding specific issues, you respond with a self-serving email, stating that you have not reviewed my comments. If you would spend your time working on the substantive issues rather than posturing, you would perhaps have had time to make headway on the agreement. I see no reason to continue this battle of emails. BellSouth will comply with the Commission's order and let the Commission decide next steps.

Parkey Jordan
BellSouth Telecommunications, Inc.
404-335-0794

-----Original Message-----
From: Buechele, Mark [mailto:Mark.Buechele@stis.com]
Sent: Monday, July 15, 2002 9:27 AM
To: 'Jordan, Parkey'; Buechele, Mark
Cc: Follensbee, Greg; Nilson, Dave
Subject: RE: July 11th and 12th Meetings

Parkey,

I just received your e-mail (below), and have not yet been able to review your e-mail for complete accuracy with our prior conversations. Nevertheless, I wish to make some points and comments because of the position we are now in.

First, I will note that on Friday, with respect to Issue 27, we discussed the fact that the language agreed upon in September/October 2001 was to applied in concept to both the UNE environment and where Supra provides service through interconnected Supra equipment. Thus conceptually, both attachments 2 and 3 were to be modified. However, BellSouth's attempted implementation was to unilaterally break apart the agreed language and place it in either Attachment 2 or Attachment 3 (but not in both). Additionally, on Friday we both realized that more needs to be done to both Attachments 2 and 3 in order to accurately reflect the intent of the parties' agreements in September/October 2001. Apart from the agreeing upon the details of the UNE call flows (which were never resolved), both attachments needed to reflect the concept of LATA-wide local calling. On Friday you stated that to effectuate this concept, several more provisions needed to be removed from Attachment 3. Thereafter we both recognized that your suggestion was not complete or accurate, and that more work was needed on these two attachments than just the removal of the several provisions you suggested.

In retrospect, this problem has arisen because the parties originally did not have a template from which they were working from and thus were discussing proposed language on select concepts, which later needed to be implemented. Because no template was being contemplated, the parties did not specify where language was to be inserted and what potentially conflicting language needed to be removed from any existing template. In fact, Issue B, regarding which template to begin from, was only added as an issue for hearing just before the hearing began in late September 2001. It therefore is no wonder

that as of last Friday, there was still considerable confusion by both BellSouth and Supra as to what needed to be done in Attachments 2 and 3, in order to properly implement the concepts agreed upon in September/October 2001.

On issue 49 (DSL), BellSouth claims that the Florida Public Service Commission made a mistake in not being more specific in its Reconsideration Order and that BellSouth seeks to the reserve the right to refuse to provide end-users FastAccess (or any other DSL service) over the same telephone line which provides voice service. Although BellSouth claims to have not yet decided how to implement the Commissions' order on the DSL issue, it is undisputed that BellSouth will refuse to provide end-users DSL over the same UNE line which provides the end-user voice service. Hence BellSouth refuses to add language which states that it will not disconnect the DSL service being provided on UNE voice lines converted to Supra.

I will also note that I sought to continue discussing further issues, but that you and Greg announced that BellSouth would not continue further negotiations on the follow-on agreement unless ordered to do so by the Florida Public Service Commission. Your rational for refusing to engage in any further negotiations and discussions is that the Commission has set forth a July 15th deadline and that BellSouth has decided that it is going to file something on that date, and then seek to be relieved of its current agreement with Supra; irrespective of whether or not the document filed accurately incorporates the Commission's orders or the parties' prior agreements. I advised you that I disagree strongly with this approach, and that in the end, BellSouth's position will only serve to delay further implementation of a follow-on agreement.

You and Greg conceded that it was impossible to finish our discussions and negotiations within the time period provided by the Florida Public Service Commission, but that it was Supra's fault for not having started this process back in March 2001. You and Greg stated that in your experience the process of negotiating a final agreement can take months after a final ruling, and that is why BellSouth sent its first version of the proposed agreement back in March, 2002. I advised you that Supra has little past experience in this regard, but that I have devoted a substantial amount of time and effort during the last month in a good faith attempt to complete this process. Neither you or Greg can claim that I have not acted in good faith. You also conceded that we have come far in this process, and that some of the problems I uncovered with BellSouth's proposed agreement were substantial and require considerable more discussion and negotiation. However, you also stated that some of the proposed changes I made were not that important. Yet, the reality is that I must still review the proposed follow-on agreement for accuracy, logic and completeness; and that it is the review and verification process which is the most time consuming. Once that time has been spent, why not spend a little extra more time to get the document done right. This is particularly true since BellSouth has taken the position on some provisions, that the language drafted means everything when it comes to implementing the agreement.

You advised that instead of completing our discussions and negotiations over the follow-on agreement, BellSouth intends to unilaterally file an unsigned contract on July 15th, without Supra even having had a chance to review that document. We also both agree that at this time, it is impossible to file anything which reflects both the Commissions' orders and the parties' prior agreements. I disagree with BellSouth's approach, but cannot force BellSouth to continue discussions and negotiations towards a final follow-on agreement. I trust that BellSouth reconsiders this hard-line approach and acts in a more reasonable and enlightened manner.

MEB.

-----Original Message-----
From: Jordan, Parkey [mailto:Parkey.Jordan@BellSouth.COM]
Sent: Friday, July 12, 2002 8:00 PM
To: 'mark.buechele@stis.com'
Cc: Follensbee, Greg
Subject: July 11th and 12th Meetings

Mark, this is to confirm the status of the issues we discussed during our negotiations on July 11 and July 12. Where I indicate that BellSouth agreed to make changes with respect to a certain issue and that the issue is closed, I assume that the issue is closed only

after BellSouth makes the agreed upon changes.

Issue 27 - on July 11 after we explained the issue regarding references to IntraLATA toll, I understood that Supra agreed to delete the intraLATA toll references in Attachment 3. However, on July 12 you told me that you had not agreed to the deletion. We discussed the reason for the deletion. BellSouth's original proposed agreement contained a definition of Local Traffic for reciprocal compensation purposes that was based on retail local calling areas. During our negotiations with Supra last fall, the parties agreed to a definition of Local Traffic that assumes that all traffic originating and terminating in a single LATA (other than traffic delivered over switched access arrangements) is local for purposes of reciprocal compensation. That being the case, there will be no intraLATA toll traffic exchanged between the parties, and references to intraLATA toll conflict with the agreement of the parties regarding Local Traffic. Traffic that would have been intraLATA toll is now encompassed in the Local Traffic definition. Our July 12 conversation included explanations to you of how Attachment 2 and Attachment 3 differed with respect to Supra's ability to offer LATA-wide local calling through BellSouth's switch (Attachment 2) and the compensation the parties would pay each other for traffic throughout the entire LATA (Attachment 3). Supra is still reviewing the deletion of the references to intraLATA toll, although Supra has agreed with the settlement language BellSouth provided in the agreement for this issue, subject to BellSouth's deletion of the reference to IntraLATA toll in Section 1.4 of Attachment 3.

Issue 29 - Supra did not raise an issue with the language in Section 6.3.1.2 that was included to incorporate the Commission's Order. Supra raised an objection to Attachment 2, Section 6.3.1.2.3, which BellSouth added to allow Supra to purchase switching at market rates, despite the fact that the Commisison did not order BellSouth to do so. BellSouth agreed to modify the proposed language to add a sentence to the end of Section 6.3.1.2.3 as follows: "Alternatively, Supra may order the fourth or more lines as resold lines pursuant to Attachment 1 of this Agreement." BellSouth did not agree to add language providing that in the event Supra finds another agreement with lower market rates, the lower market rates will apply to Supra without an amendment to the agreement. BellSouth added this language to provide an additional option to Supra. We provide this option to virtually all CLECs. BellSouth will either remove the language (meaning Supra will not have the option to purchase UNE-P for the end user's fourth or more line, or we will leave in the language as modified above. If Supra disagrees with the language, we will remove it, as it was not ordered by the Commission.

Issue 49 - Supra requested that BellSouth add language to Attachment 2, Section 2.17.7, regarding future internet access services offered by BellSouth, processes BellSouth will use to continue to provide DSL services to end users, an obligation to continue providing third party DSL services over Supra's UNE-P lines, and an obligation for BellSouth to notify such third parties that the third parties should begin paying Supra any amounts such parties were previously paying BellSouth. BellSouth offered the language directly from the Commission's order. BellSouth does not believe the additional language complies with the order. The parties disagree with respect to this issue.

Issue 53 - BellSouth agreed to delete Section 2.5 of Attachment 2, as BellSouth had included that paragraph of the settlement language in two places. This issue is closed.

Issue 55 - Supra agreed with BellSouth's language. The issue is closed.

Issue 57 - This issue was only partially settled by the parties last fall when the parties agreed to language related to PSIMS and PIC. Supra agreed to the language in the agreement with respect to the settled portion of the issue only (Supra has not yet commented on the language BellSouth included in the agreement regarding the remainder of Issue 57 to incorporate what was ordered by the Commission). The portion of Issue 57 relating to PSIMS and PIC is closed.

Issue 18 - BellSouth agreed to remove the (***) from the CSA column in Exhibit A of Attachment 1. BellSouth also agreed to remove the note associated with the (***). In Attachment 4 BellSouth agreed label the Remote Site Collocation document as Attachment 4A, and to separate Exhibit B from both Attachment 4 and Attachment 4A so it will print as a separate document rather than as a continuation of the Attachment itself. This issue is closed.

Issue 5 - Supra agreed with BellSouth's language. This issue is closed.

Issue 10 - Supra asked to add language to the end of Attachment 2, Section 3.2, that states "in writing before installing any DAML equipment." BellSouth agreed to this addition. Supra also requested that BellSouth include language to Attachment 1 (Resale) from the Order on Reconsideration relating to DAML on resale lines. BellSouth agreed to add language directly from the order as follows: "Where Supra provides service to customers via resale of BellSouth services, BellSouth shall not be required to notify Supra of its intent to provision DAML equipment on Supra customer lines, as long as it will not impair the voice grade service being provisioned by Supra to its customers." Supra also wanted to BellSouth, in the resale language, to reference a type of line card that Supra claims was discussed in testimony during the hearing and to agree that we would notify Supra when that type of line card is being used. BellSouth's witness for this issue has retired since the hearing, and Supra did not have the technical information regarding the type of line card discussed at the hearing. Thus, BellSouth will not agree to any additional language, and Supra has not agreed that this issue is closed.

The following issues were discussed on July 12.

Issue 27 - the parties discussed this issue again, as described above. There is no resolution regarding BellSouth's proposed deletion of the references to IntraLATA toll traffic, but Supra has agreed to the settlement language BellSouth inserted in Attachment 3, Section 1, provided that the reference to IntraLATA toll is removed from Section 1.4.

Issue 19 - Supra asked questions regarding the language BellSouth inserted relating to compensation for ISP-bound traffic. Supra is still reviewing the language and wants to compare it to the FCC's order. Thus, this issue is still open to Supra.

Issue 42 - Supra asked to delete the last sentence of section 8.2 and replace it with the following language from the MCImetro agreement: "However, both Parties recognize that situations exist that would necessitate billing beyone the one year limit as permitted by law. These exceptions include:" BellSouth agreed to this change. This issue is closed.

Issues 11A and 11B - Supra requested that BellSouth add to Attachment 6, Section 15.5, language stating that if Supra files a complaint with the Commission, BellSouth will presume that Supra has filed a valid or good faith billing dispute. Supra was relying on language from the reconsideration order, but in BellSouth's view, the Commission was merely referencing language from the original order that stated Supra may ask the Commission for a stay if BellSouth has denied a billing dispute and intends to disconnect Supra. BellSouth would not agree to Supra's proposal. The parties disagree.

Issue 12 - Supra agreed to BellSouth's language. This issue is closed.

Issue 15 - Supra asked BellSouth to add a statement that it would also comply with the Performance Assessment Plan ordered by the Commission. BellSouth agreed but no specific language was agreed upon. Supra left it to BellSouth to add appropriate language. BellSouth will delete the first sentence of Attachment 10 and add the following sentence in lieu thereof: "BellSouth shall provide to Surpa Telecom those Performance Measurements established by the Commission in Order No. PSC-01-1819-FOF-TP, and the associated Perfopmance Assessment Plan ordered by the Commission."

This and my previous emails describing the parties' negotiations since June 28 concludes the issues that the parties discussed. Supra has not yet reviewed or discussed with BellSouth the following remaining issues: 16, 18 (other than that portion the parties settled in October), 20, 21, 22, 23, 24, 28, 32A, 32B, 33, 34, 38, 40, 46, 47, 57 (other than that portion the parties settled in October), 59, 60, 61, 62, 63, 65, 66.

Parkey Jordan
BellSouth Telecommunications, Inc.
404-335-0794

State of Florida

Public Service Commission

CAPITAL CIRCLE OFFICE CENTER • 2540 SHUMARD OAK BOULEVARD
TALLAHASSEE, FLORIDA 32399-0850

-M-E-M-O-R-A-N-D-U-M-

DATE: JULY 25, 2002

TO: DIRECTOR, DIVISION OF THE COMMISSION CLERK & ADMINISTRATIVE SERVICES (BAYÓ)

FROM: OFFICE OF THE GENERAL COUNSEL (KNIGHT, B. KEATING, MCLEAN)
DIVISION OF COMPETITIVE SERVICES (SIMMONS, KING, BARRETT, SCHULTZ, J. BROWN, T. BROWN, TURNER, MCB)

RE: DOCKET NO. 001305-TP - PETITION BY BELLSOUTH TELECOMMUNICATIONS, INC. FOR ARBITRATION OF CERTAIN ISSUES IN INTERCONNECTION AGREEMENT WITH SUPRA TELECOMMUNICATIONS AND INFORMATION SYSTEMS, INC.

AGENDA: 08/06/02 - REGULAR AGENDA -
ISSUE 1) MOTIONS TO STRIKE AND TO AMEND FINAL ORDER ACCORDINGLY - ORAL ARGUMENT NOT REQUESTED PURSUANT TO RULE 25-22.058, F.A.C. - PARTICIPATION LIMITED TO COMMISSIONERS AND STAFF
ISSUE 2) MOTION TO COMPEL NEGOTIATION - ORAL ARGUMENT NOT REQUESTED; HOWEVER, ORAL ARGUMENT MAY BE ENTERTAINED AT THE COMMISSION'S DISCRETION
ISSUE 3) REQUEST FOR EXPEDITED TREATMENT - ORAL ARGUMENT NOT REQUESTED; HOWEVER, ORAL ARGUMENT MAY BE ENTERTAINED AT THE COMMISSION'S DISCRETION
ISSUE 4) MOTION TO STRIKE 7/15 AGREEMENT - ORAL ARGUMENT NOT REQUESTED; HOWEVER, ORAL ARGUMENT MAY BE ENTERTAINED AT THE COMMISSION'S DISCRETION
ISSUE 5) POST-HEARING DECISION ON AGREEMENT RESULTING FROM ARBITRATION - PARTICIPATION LIMITED TO COMMISSIONERS AND STAFF

CRITICAL DATES: NONE

SPECIAL INSTRUCTIONS: NONE

FILE NAME AND LOCATION: S:\PSC\GCL\WP\001305RCAGREE.RCM

CASE BACKGROUND

On September 1, 2000, BellSouth Telecommunications, Inc. (BellSouth) filed a petition for arbitration of certain issues in a new interconnection agreement with Supra Telecommunications and Information Systems, Inc. (Supra). BellSouth's petition raised fifteen disputed issues. Supra filed its response, and this matter was set for hearing. In its response Supra raised an additional fifty-one issues. In an attempt to identify and clarify the issues in this docket, issue identification meetings were held on January 8, 2001, and January 23, 2001. At the conclusion of the January 23 meeting, the parties were asked by Commission staff to prepare a list with the final wording of the issues as they understood them. BellSouth submitted such a list, but Supra did not, choosing instead to file on January 29, 2001, a motion to dismiss the arbitration proceedings. On February 6, 2001, BellSouth filed its response. In Order No. PSC-01-1180-FOF-TI, issued May 23, 2001, the Commission denied Supra's motion to dismiss, but on its own motion ordered the parties to comply with the terms of their prior agreement by holding an inter-company Review Board meeting. Such a meeting was to be held within 14 days of the issuance of the Commission's order, and a report on the outcome of the meeting was to be filed with the Commission within 10 days after completion of the meeting. The parties were placed on notice that the meeting was to comply with Section 252(b)(5) of the Telecommunications Act of 1996 (Act).

Pursuant to the Commission's Order, the parties held meetings on May 29, 2001, June 4, 2001, and June 6, 2001. The parties then filed post-meeting reports. Thereafter, several of the original issues were withdrawn by the parties. An additional twenty issues were withdrawn or resolved by the parties either during mediation or the hearing, or in subsequent meetings. Although some additional issues were settled, thirty-seven disputed issues remained.

The Commission conducted an administrative hearing in this matter on September 26-27, 2001. On February 8, 2002, staff filed its post-hearing recommendation for the Commission's consideration at the February 19, 2002, Agenda Conference. Prior to the Agenda Conference, the item was deferred.

On February 13, 2002, Supra filed a Motion asking that the item not be considered until additional legal briefing could be had

addressing the impact of the decision of the United States Court of Appeals, Eleventh Circuit (hereinafter "11th Circuit"), Cir. Order Nos. 00-12809 and 00-12810, the consolidated appeals of BellSouth Telecommunications, Inc. v. MCIMetro Access Transmission Services, Inc., D.C. Docket No. 99-00248-CV-JOF-1 and BellSouth Telecommunications, Inc. v. WorldCom Technologies, Inc. And E.spire Communications, Inc., D.C. Docket No. 99-00249-CV-JOF-1, respectively. In the alternative, Supra requested oral argument on the impact of that decision on Issue 1 of the staff's recommendation. By Order No. PSC-02-0202-PCO-TP, issued February 15, 2002, the request for additional briefing was granted. Parties were directed to file their supplemental briefs by February 19, 2002. In rendering its final decision, the Commission noted that it had considered the additional briefing.

Also on February 18, 2002, Supra filed a Motion for Rehearing, Motion for Appointment of a Special Master, Motion for Indefinite Deferral, and Motion for Oral Argument. BellSouth filed its response on February 21, 2002.

On February 21, 2002, Supra filed a Renewed Motion for Indefinite Stay of Docket No. 001305-TP, and an Alternative Renewed Motion for Oral Argument. On February 22, 2002, BellSouth filed its Response in opposition.

On February 27, 2002, Supra filed a Motion for Oral Arguments on Procedural Question Raised by Commission staff and Wrongful Denial of Due Process. BellSouth filed its Response in opposition on March 1, 2002.

By Order No. PSC-02-0413-FOF-TP (Final Order), issued March 26, 2002, the Commission resolved the substantive issues presented for its consideration, as well as several procedural motions filed by Supra on February 18, 21, and 27. A few minor scrivener's errors were corrected by Order No. PSC-02-0413A-FOF-TP, issued March 28, 2002. Pursuant to the Notice of Further Proceedings set forth in Order No. PSC-02-0413-FOF-TP and Rule 25-22.060, Florida Administrative Code, any motion for reconsideration of the Final Order was due on April 10, 2002.

On April 1, 2002, Supra filed a Motion to Extend the Due Date for Filing Motion for Reconsideration of Final Order. By Order No. PSC-02-0464-PCO-TP, issued April 4, 2002, the Motion was denied. On April 8, 2002, Supra filed a Motion for Reconsideration of

Commission Order No. PSC-02-0464-PCO-TP. By Order No. PSC-02-0496-PCO-TP, issued April 10, 2002, the Motion for Reconsideration was denied.

On that same day, April 10, Supra filed a Motion for Reconsideration of Denial of its Motion for Rehearing of Order No. PSC-02-0413-FOF-TP. Supra also filed a separate Motion for Reconsideration and Clarification of Order No. PSC-02-0413-FOF-TP, portions of which were identified as confidential. On April 17, 2002, BellSouth filed responses in opposition to both Motions.

Also on April 17, 2002, Supra filed a Motion to Disqualify and Recuse Commission staff and Commission Panel from All Further Consideration of This Docket and To Refer Docket to DOAH for all Further Proceedings. On April 24, 2002, BellSouth filed its response. This motion has been separately addressed.

Also on April 24, 2002, Supra filed a Motion to Extend Due Date for Filing Executed Interconnection Agreement and a Motion to Strike and Reply to BellSouth's Opposition to Supra's Motion for Reconsideration for New Hearing. On May 1, 2002, BellSouth filed its responses. The extension was granted, in part, and denied, in part, by Order No. PSC-02-0637-PCO-TP, issued May 8, 2002. Thereafter, on May 15, 2002, BellSouth asked for reconsideration of that Order. Supra filed its response in opposition on May 22, 2002.

On April 24, 2002, Supra also filed a Motion to Strike and Reply to BellSouth's Opposition to Supra's Motion for Reconsideration for New Hearing. BellSouth filed its response in opposition on May 1, 2002.

On May 7, 2002, Supra filed a Motion for Leave to File Reply to BellSouth's Opposition to Motion to Strike, or in the Alternative, to Strike New Issues Raised in BellSouth's Opposition. On May 16, 2002, BellSouth filed its response in Opposition.

On May 13, 2002, BellSouth filed its Request for Leave to File Supplemental Authority.

On May 24, 2002, BellSouth filed a Motion for Reconsideration of Order No. PSC-02-0663-CFO-TP, wherein the Prehearing Officer denied confidential treatment of certain information contained in an April 1, 2002, letter to Commissioner Palecki.

On May 29, 2002, Supra filed a Motion for Reconsideration of Order No. PSC-02-0700-PCO-TP.

By Order No. PSC-02-0878-FOF-TP, issued July 1, 2002, the Commission rendered its decisions on the identified procedural Motions and Motions for Reconsideration. Therein, the Commission required the parties to file their final interconnection agreement complying with the Commission's decision by July 15, 2002.

On June 17, 2002, Supra filed a Motion to Strike BellSouth's letter of October 30, 2001, to Blanca Bayo; Strike BellSouth's post-hearing position/summary with respect to Issue B; and to Alter/Amend Final Order pursuant to F.R.C.P. 1.540(B). On June 28, 2002, BellSouth filed its response in opposition.

On July 8, 2002, Supra filed a Motion to Stay, which has been separately addressed by the Commission.

On July 15, 2002, Supra filed a Notice of Compliance with Order No. PSC-02-0878-FOF-TP, Notice of BellSouth's Refusal to Continue Negotiations Over Follow-Up Agreement, and Motion to Compel BellSouth to Continue Good Faith Negotiations on Follow-Up Agreement. On July 18, 2002, BellSouth filed its Response in Opposition.

Also on July 15, 2002, BellSouth filed an interconnection agreement, along with an Emergency Motion for Expedited Commission Action. On July 22, 2002, Supra filed its Response in Opposition.

Also on July 22, 2002, Supra filed a Motion to Strike the proposed interconnection agreement submitted by BellSouth on July 15, 2002. To date, BellSouth has not filed a response, but staff will provide the Commissioners with a copy if one is filed prior to the scheduled Agenda Conference.

This is staff's recommendation on the Motions to Strike and Amend Final Order, Motion to Compel negotiations, Motion for Expedited Commission Action, and the filed interconnection agreement.

JURISDICTION

The Commission has jurisdiction in this matter pursuant to Section 252 of the Act to arbitrate interconnection agreements, as

well as Sections 364.161 and 364.162, Florida Statutes. Section 252 states that a State Commission shall resolve each issue set forth in the petition and response, if any, by imposing the appropriate conditions as required. Further, while Section 252(e) of the Act reserves the state's authority to impose additional conditions and terms in an arbitration consistent with the Act and its interpretation by the FCC and the courts, we utilize discretion in the exercise of such authority. In addition, Section 120.80(13)(d), Florida Statutes, authorizes this Commission to employ procedures necessary to implement the Act.

The Commission retains jurisdiction pursuant to Section 252 (e) of the Telecommunications Act of 1996 for purposes of approving a final arbitrated interconnection agreement. See also GTE Florida v. Johnson, 964 F. Supp. 333 (N.D. Fla. 1997)(stating, "this court has jurisdiction only 'to determine whether the agreement or statement meets the requirements of' the Act."); *citing* GTE South, Inc. v. Breathitt, 963 F. Supp. 610, 1997 WL 202470 (E.D. Ky. 1997); GTE South, Inc. v. Morrison, 957 F. Supp. 800, 1997 WL 82527 (E.D. Va. 1997); GTE Northwest, Inc. v. Nelson, 969 F. Supp. 654 (W.D. Wash. 1997); GTE Northwest, Inc. v. Hamilton, Civil Action No. 97-6021 (D. Ore. March 28, 1997); GTE Southwest, Inc. v. Wood, Civil Action No. 97-3 (S.D. Tex. March 13, 1997)(stating "the Court is persuaded that § 252(e)(6) does not extend the scope of review to determinations prior to the stage of approval or rejection of the agreement.")